

107TH CONGRESS  
2D SESSION

# S. 2468

To amend the Workforce Investment Act of 1998 to provide for strategic sectoral skills gap assessments, strategic skills gap action plans, and strategic training capacity enhancement seed grants, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

MAY 7, 2002

Ms. CANTWELL (for herself and Ms. COLLINS) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To amend the Workforce Investment Act of 1998 to provide for strategic sectoral skills gap assessments, strategic skills gap action plans, and strategic training capacity enhancement seed grants, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Sectoral Market As-  
5 sessment for Regional Training Enhancement and Revital-  
6 ization Act”.

1 **SEC. 2. SKILLS GAP CAPACITY ENHANCEMENT GRANTS.**

2 Subtitle B of title I of the Workforce Investment Act  
3 of 1998 (29 U.S.C. 2811 et seq.) is amended—

4 (1) by redesignating section 137 as section 138;

5 and

6 (2) by inserting after section 136 the following:

7 **“SEC. 137. SKILLS GAP CAPACITY ENHANCEMENT GRANTS.**

8 “(a) PURPOSES.—The purposes of this section are—

9 “(1) to assist States and local boards in better  
10 focusing funds provided under this subtitle on activi-  
11 ties and programs that meet the emerging demand  
12 for skills in high-quality jobs in area industries;

13 “(2) to enhance the efficiency of the one-stop  
14 delivery systems and providers of training services;

15 “(3) to establish and improve partnerships be-  
16 tween local boards, industry sectors, economic devel-  
17 opment agencies, providers of training services (in-  
18 cluding secondary schools, postsecondary educational  
19 institutions, and providers of joint labor-manage-  
20 ment programs, who are eligible providers under sec-  
21 tion 122), and other related public and private enti-  
22 ties; and

23 “(4) to strengthen integration of workforce de-  
24 velopment strategies and economic development  
25 strategies in States, local areas, and labor markets.

26 “(b) DEFINITIONS.—In this section:

1           “(1) CONSORTIUM.—The term ‘consortium’  
2 means a consortium of local boards, established as  
3 described in subsection (d)(3).

4           “(2) REGION.—The term ‘region’ means 2 or  
5 more local areas that comprise a common labor mar-  
6 ket for an industry sector or group of related occu-  
7 pations.

8           “(3) TRAINING SERVICES.—The term ‘training  
9 services’ means services described in section  
10 134(d)(4).

11          “(c) GRANTS TO STATES.—

12           “(1) IN GENERAL.—The Secretary shall make  
13 grants to States, to enable the States to assist local  
14 boards and consortia in carrying out the activities  
15 described in subsection (e).

16           “(2) FORMULA.—

17           “(A) IN GENERAL.—The Secretary shall  
18 make the grants in accordance with the formula  
19 used to make grants to States under section  
20 132(b)(1)(B) (other than clause (iv)), subject to  
21 subparagraph (B).

22           “(B) SMALL STATE MINIMUM ALLOT-  
23 MENT.—The Secretary shall ensure that no  
24 State shall receive an allotment under this  
25 paragraph for a fiscal year that is less than  $\frac{1}{2}$

1 of 1 percent of the funds made available to  
2 carry out this section for that fiscal year.

3 “(d) GRANTS TO LOCAL BOARDS.—

4 “(1) IN GENERAL.—A State that receives a  
5 grant under subsection (c)—

6 “(A) shall use the funds made available  
7 through the grant to make grants to local  
8 boards and consortia to carry out the activities  
9 described in subsection (e); and

10 “(B) may use the funds made available  
11 through the grant, at the election of the State,  
12 to prepare strategic sectoral skills gap assess-  
13 ments, as described in subsection (e)(2), in the  
14 local areas or regions involved.

15 “(2) CONSIDERATION.—In making the grants,  
16 the State may take into account the size of the  
17 workforce in each local area or region.

18 “(3) CONSORTIA.—States shall encourage local  
19 boards to aggregate, to the maximum extent prac-  
20 ticable, into consortia representing regions, for pur-  
21 poses of carrying out activities described in sub-  
22 section (e). Nothing in this paragraph shall be con-  
23 strued to require local boards to aggregate into such  
24 consortia.

1           “(4) APPLICATIONS.—To be eligible to receive a  
2           grant under this section, a local board or consortium  
3           shall submit an application to the State, at such  
4           time and in such manner as the State may require,  
5           containing—

6                   “(A) information identifying the members  
7                   of the partnership described in subsection (e)(3)  
8                   that will carry out the activities described in  
9                   subsection (e); and

10                   “(B) an assurance that the board or con-  
11                   sortium will use, or ensure that the partnership  
12                   uses, the funds to carry out the activities de-  
13                   scribed in subsection (e).

14           “(e) USE OF FUNDS.—

15                   “(1) IN GENERAL.—A local board or consor-  
16                   tium that receives a grant under this section—

17                   “(A) shall ensure that the partnership de-  
18                   scribed in paragraph (3) uses the funds made  
19                   available through the grant to—

20                           “(i) prepare a strategic sectoral skills  
21                           gap assessment, as described in paragraph  
22                           (2), unless the State elects to prepare the  
23                           assessment;

1 “(ii) develop a strategic skills gap ac-  
 2 tion plan, as described in paragraph (4);  
 3 and

4 “(iii) provide strategic training capac-  
 5 ity enhancement seed grants to providers  
 6 of training services specified in subsection  
 7 (a)(3), as described in paragraph (5); and

8 “(B) may use funds made available  
 9 through the grant to ensure that activities car-  
 10 ried out under this subtitle are carried out in  
 11 accordance with the strategic skills gap action  
 12 plan.

13 “(2) STRATEGIC SECTORAL SKILLS GAP ASSESS-  
 14 MENT.—

15 “(A) IN GENERAL.—Except as provided in  
 16 subparagraph (E), the local board or consor-  
 17 tium (or, at the election of the State, that  
 18 State) shall prepare a strategic sectoral skills  
 19 gap assessment, which shall—

20 “(i) identify areas of current and ex-  
 21 pected demand for labor and skills in a  
 22 specific industry sector or group of related  
 23 occupations that is producing high-quality  
 24 jobs in the local area or region involved;

1 “(ii) identify the current and expected  
2 supply of labor and skills in that specific  
3 sector or group in the local area or region;  
4 and

5 “(iii) identify gaps between the cur-  
6 rent and expected demand and supply of  
7 labor and skills in that specific sector or  
8 group in the local area or region.

9 “(B) SPECIFIC CONTENTS.—The assess-  
10 ment shall contain data regarding—

11 “(i)(I) specific high-quality employ-  
12 ment opportunities offered by industries in  
13 the local area or region; and

14 “(II) specific skills desired for such  
15 opportunities;

16 “(ii)(I) occupations and positions in  
17 the local area or region that are difficult to  
18 fill; and

19 “(II) specific skills desired for such  
20 occupations and positions;

21 “(iii)(I) areas of growth and decline  
22 among industries and occupations in the  
23 local area or region; and

24 “(II) specific skills desired for such  
25 growth areas; and

1                   “(iv) specific inventories of skills of  
2                   unemployed or underemployed individuals  
3                   in the local area or region.

4                   “(C) INFORMATION.—The assessment shall  
5                   contain current (as of the date of preparation  
6                   of the assessment) information and information  
7                   that is specific to employers or labor organiza-  
8                   tions. To the maximum extent possible, the in-  
9                   formation shall be regularly updated informa-  
10                  tion.

11                  “(D) SURVEY.—The assessment shall con-  
12                  tain the results of a survey of employers and  
13                  labor organizations in the local area or region.  
14                  The survey results shall include information  
15                  from major employers and labor organizations  
16                  in the local area or region.

17                  “(E) EXCEPTION.—

18                         “(i) STATE.—A State shall not be re-  
19                         quired to use the funds made available  
20                         through a grant received under this sec-  
21                         tion, to prepare an assessment described in  
22                         this paragraph.

23                         “(ii) LOCAL BOARD OR CONSOR-  
24                         TIUM.—A local board or consortium shall  
25                         not be required to use the funds made



1           available through a grant received under  
2           this section, to prepare an assessment de-  
3           scribed in this paragraph, if the local  
4           board or consortium demonstrates that,  
5           within the 2 years prior to receiving the  
6           grant, an assessment that meets the re-  
7           quirements of this paragraph has been pre-  
8           pared for the local area or region involved.

9           “(3) SKILLS PARTNERSHIP.—In carrying out  
10          this section, local boards and consortia shall enter  
11          into partnerships that include—

12               “(A) representatives of the local boards for  
13               the local area or region involved;

14               “(B) representatives of employers for a  
15               specific industry sector or group of related oc-  
16               cupations, and related sectors or occupations,  
17               identified through the assessment described in  
18               paragraph (2) as having identified gaps between  
19               the current and expected demand and supply of  
20               labor and skills in the industry sector or group  
21               of related occupations in the local area or re-  
22               gion involved;

23               “(C) representatives of economic develop-  
24               ment agencies for the local area or region;

1 “(D) representatives of providers of train-  
 2 ing services described in subsection (a)(3) in  
 3 the local area or region; and

4 “(E) representatives nominated by State  
 5 labor federations or local labor federations.

6 “(4) STRATEGIC SKILLS GAP ACTION PLAN.—  
 7 The partnership shall develop a strategic skills gap  
 8 action plan, based on the assessment, that—

9 “(A)(i) identifies specific barriers to ade-  
 10 quate supply of labor and skills in demand in  
 11 a specific industry sector or group of related oc-  
 12 cupations that is producing high-quality jobs in  
 13 the local area or region involved; and

14 “(ii) identifies activities (which may in-  
 15 clude the provision of needed supportive serv-  
 16 ices) that will remove or alleviate the barriers  
 17 described in clause (i) that could be undertaken  
 18 by one-stop operators and providers of training  
 19 services described in subsection (a)(3); and

20 “(B) specifies how the local board (or con-  
 21 sortium) and economic development agencies in  
 22 the partnership will integrate the board’s or  
 23 consortium’s workforce development strategies  
 24 with local or regional economic development  
 25 strategies.

1           “(5) STRATEGIC TRAINING CAPACITY ENHANCE-  
2           MENT SEED GRANTS.—

3           “(A) IN GENERAL.—The local board or  
4           consortium, after consultation with the partner-  
5           ship, shall make grants to one-stop operators  
6           and providers of training services described in  
7           subsection (a)(3) to pay for the Federal share  
8           of the cost of—

9                   “(i) developing curricula to meet  
10                  needs identified in the assessment de-  
11                  scribed in paragraph (2) and to overcome  
12                  barriers identified in the plan described in  
13                  paragraph (4); and

14                   “(ii) modifying the programs of train-  
15                  ing services offered by the providers in  
16                  order to meet those needs and overcome  
17                  those barriers.

18           “(B) FEDERAL SHARE.—

19                   “(i) IN GENERAL.—The Federal share  
20                  of the cost described in subparagraph (A)  
21                  shall be 75 percent.

22                   “(ii) NON-FEDERAL SHARE.—The  
23                  non-Federal share of the cost may be pro-  
24                  vided in cash or in kind, fairly evaluated,  
25                  including plant, equipment, or services.”.

1 **SEC. 3. CONFORMING AMENDMENTS.**

2 (a) TABLE OF CONTENTS.—The table of contents in  
 3 section 1(b) of the Workforce Investment Act of 1998 is  
 4 amended by striking the item relating to section 137 and  
 5 inserting the following:

“Sec. 137. Skills gap capacity enhancement grants.

“Sec. 138. Authorization of appropriations.”.

6 (b) REFERENCES TO AUTHORIZATION OF APPRO-  
 7 PRIATIONS.—

8 (1) YOUTH ACTIVITIES.—Subsections (a) and  
 9 (b)(1) of section 127 of the Workforce Investment  
 10 Act of 1998 (29 U.S.C. 2852) are amended by strik-  
 11 ing “section 137(a)” each place it appears and in-  
 12 serting “section 138(a)”.

13 (2) ADULT EMPLOYMENT AND TRAINING AC-  
 14 TIVITIES.—Section 132(a)(1) of the Workforce In-  
 15 vestment Act of 1998 (29 U.S.C. 2862(a)(1)) is  
 16 amended by striking “section 137(b)” and inserting  
 17 “section 138(b)”.

18 (3) DISLOCATED WORKER EMPLOYMENT AND  
 19 TRAINING ACTIVITIES.—Subsections (a)(2) and  
 20 (b)(2)(A)(i) of section 132 of the Workforce Invest-  
 21 ment Act of 1998 (29 U.S.C. 2862) are amended by  
 22 striking “section 137(c)” each place it appears and  
 23 inserting “section 138(c)”.

